GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2727
ANSWERED ON:18.03.2008
TRADE RELATIONS WITH NEIGHBOURING COUNTRIES
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of trade structure with neighbouring countries and import/export figures during each of the last three years, country-wise;

(b) the details of major findings and recommendations of the study conducted by Indian Council for Research in International Economic Relations on these countries;

(c) whether the Government proposes to reach out to these countries and liberalise trade practices to further strengthen the bilateral trade relations; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) The details are given below:

1. India has free trade agreements with Bhutan and Sri Lanka.India has also Treaty of Trade with Nepal under which India provides duty-free market access to Nepalese goods. With Bangladesh India has signed a Trade Agreement. With Pakistan, India has no formal trade agreement. While India has granted Most Favoured Nation Status to Pakistan, Pakistan maintains a list of importable items from India called Positive List which presently consists of 1802 items.

2. India and China have not signed any bilateral trade agreement.However, as per Asia-Pacific Trade Agreement (APTA) signed as Bangkok Agreement in July 1975 and revised on 2.11.2005, China offered tariff preferences to India on 1697 items including food items, chemical products, drugs, textile products and machinery products. India in return offered tariff concessions on 570 items including primarily chemical, paper, steel, rubber, electric machinery, railway products and toys.

3. India's export and import figures country-wise for the last three years are in the annexure.

(b) Indian Council for Research in International Economic Relations (ICRIER) conducted a study on "Non-Tariff Barriers on India's Trade with Pakistan" which addresses issues of bilateral trade of India with Pakistan.

(c) and (d) India is also a signatory of the Agreement on South Asian Free Trade Area (SAFTA) and the member countries of SAFTA are currently deliberating the issues related to providing greater market access and trade facilitation measures, including non-tariff and para-tariff measures.